

Residential Real Estate Market Q4 14-15 (quarter ending March 15)



➤ **Unsold**

- Inventory level in six cities increased in this quarter by 2.48%. Present inventory is 688 K units admeasuring 919 mn sqft.

➤ **Sales**

- Overall sales is up by 2% from previous quarter. Sales in Bangalore and MMR surge by 31% and 25% respectively, while NCR and Hyderabad witnessed decline in sales by 27% and 16% respectively from previous quarter.
- 35% of sales happened in the cost bracket of Rs. 50 lac to Rs. 1 Crore followed by the cost bracket of Rs. 25 lac to Rs. 50 lac with 30%. 2BHK and 3BHK shares 34% and 33% respectively in each category.

➤ **New Supply (launches)**

- New supply in Q4 14-15 is increased by 21% from previous quarter and 36% of new supply came in the cost range of Rs. 50 lacs to Rs. 1 Crore followed by the cost range Rs. 25 Lac to Rs. 50 Lac with 29%.
- 2BHK constitute 36% of new supply followed by 3BHK with 35%. MRR's Average price of new supply is lower by 31% compare to existing supply.
- Chennai, Bangalore, Pune and NCR show decrease in new launch prices compare to existing supply prices by 16%, 10%, 6% and 4% respectively, while Hyderabad shows increase in new launch prices by 4% compare to existing supply.
- Bangalore and MMR constitute 31% and 28% of new supply respectively.
- **MMR witnessed historic new launches with 18.16 Mn Sqft of New launches during this quarter.** This was the second highest new lunches in a Qtr in MMR. The highest new launches so far were during Q1 FY 10-11.

➤ **Price (PSF)**

- The average price of six cities remained stable from previous quarter. MMR witnessed the maximum fall of 2.18% in weighted average prices compare to other cities, this is primarily due to new lunches in affordable segment. Pune shows slight increase in prices by 1.38% from previous quarter.

➤ **Inventory Months**

- Chennai, NCR and Pune show quantum of sales is higher than new supply while Bangalore and MMR shows sales is lower than new supply during last quarter.
- At India level, months inventory remained un-changed at 39 months from last quarter. NCR showed the worst months inventory at 71 months, while Pune market represents the least months inventory 18 month. MMR market stands at 46 months of Inventory. (In ideal condition, a market should maintain 8-12 months of Inventory)



Summary Performance across Cities in Q4 14-15 Quarter

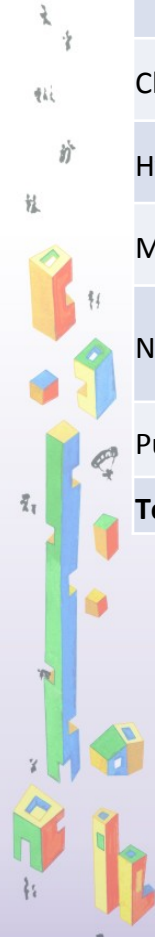
Particulars	Bangaluru	Chennai	Hyderabad	MMR	NCR	Pune
Inventory (Mn Sqft) (Unsold + Sales)	169.42	69.30	57.54	204.73	335.25	82.62
Unsold (Mn Sqft)	152.43	64.03	52.05	192.27	321.68	70.64
Sales (Mn Sqft)	16.99	5.27	5.49	12.46	13.58	11.98
New Supply (Mn Sqft)	20.12	3.48	5.51	18.17	8.28	8.86
Value of Stock Sold (Rs Cr)	8,543	2,939	2,269	12,819	7,218	6,105
Wt Avg Price per sqft	5,224	4,979	4,206	12,835	5,055	5,455
Wt Avg Cost of Flat (Rs Lac)	86	64	75	130	74	57
Wt Avg Area per flat (Sqft)	1,620	1,250	1,814	1,084	1,443	1,065
Sales Velocity (%)	1.68%	1.05%	1.19%	1.05%	0.56%	1.83%
Months Inventory	27	36	28	46	71	18

Residential Market Performance across six cities

Region /City	Sales n Mn sqft				Unsold stock Mn sqft	MI* in Months	Price Rs per sqft				YOY		QoQ	
	Q4 12-13	Q4 13-14	Q3 14-15	Q4 14-15			Q4 12-13	Q4 13-14	Q3 14-15	Q4 14-15	Sales	Price	Sales	Price
Bengaluru	10.18	16.11	12.97	16.99	152.43	27	5,004	5,242	5,179	5,224	5%	0%	31%	1%
Chennai	6.87	8.81	4.24	5.27	64.03	36	4,705	4,744	4,962	4,979	-40%	5%	24%	0%
Hyderabad	2.48	3.77	6.57	5.49	52.05	28	3,565	3,914	4,199	4,206	46%	7%	-16%	0%
MMR	10.45	11.54	9.95	12.46	192.27	46	11,626	12,748	13,121	12,835	8%	1%	25%	-2%
NCR	25.47	21.57	18.48	13.58	321.68	71	4,500	5,151	5,080	5,055	-37%	-2%	-27%	0%
Pune	8.53	9.83	12.30	11.98	70.64	18	4,661	5,091	5,381	5,455	22%	7%	-3%	1%
Total	63.98	71.63	64.52	65.78	853.09	39	6,134	6,742	6,837	6,814	-8%	1%	2%	0%

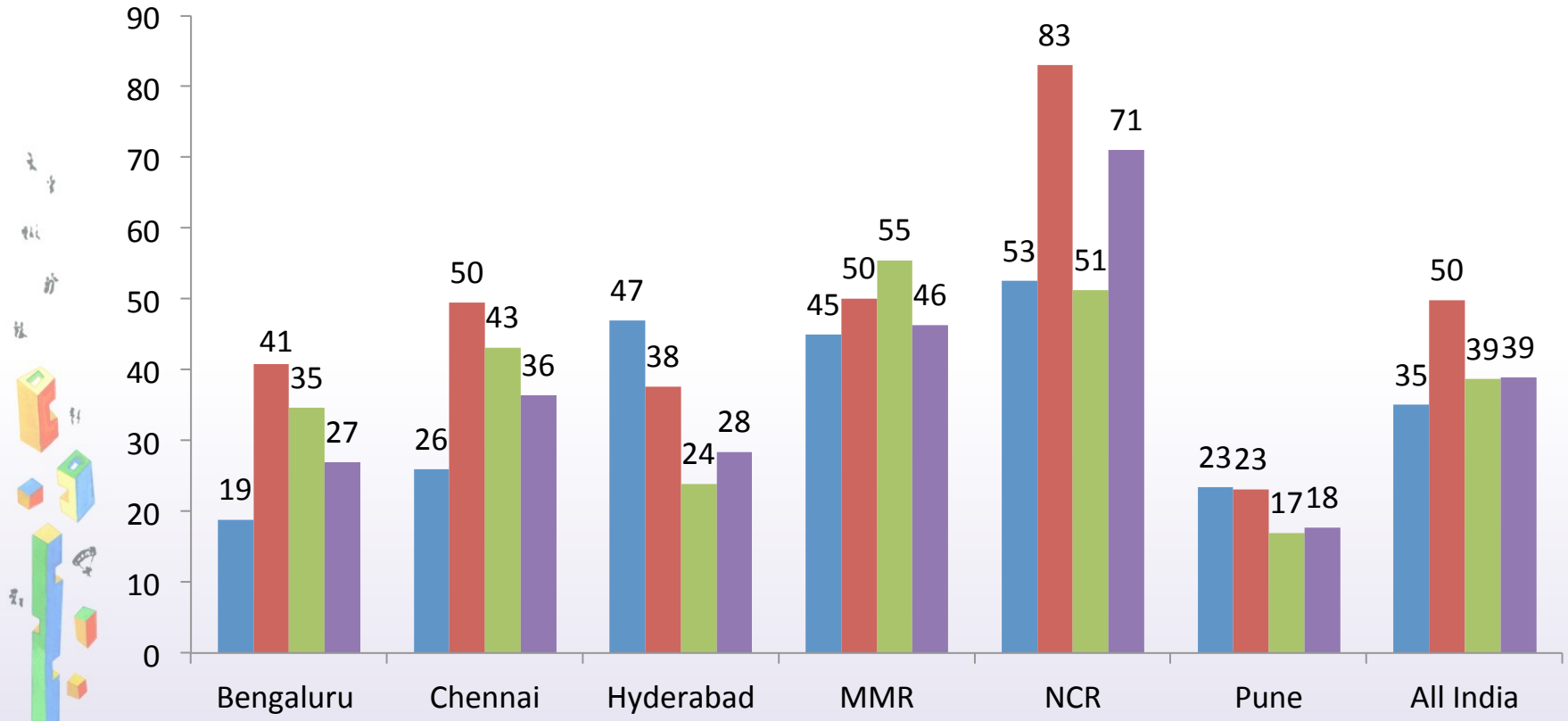
MI* is months inventory

- Months inventory denotes the months required to clear the stock at the existing absorption pace. A healthy market maintains 8 to 12 months of inventory



Months Inventory across cities

■ Q1 14-15 ■ Q2 14-15 ■ Q3 14-15 ■ Q4 14-15



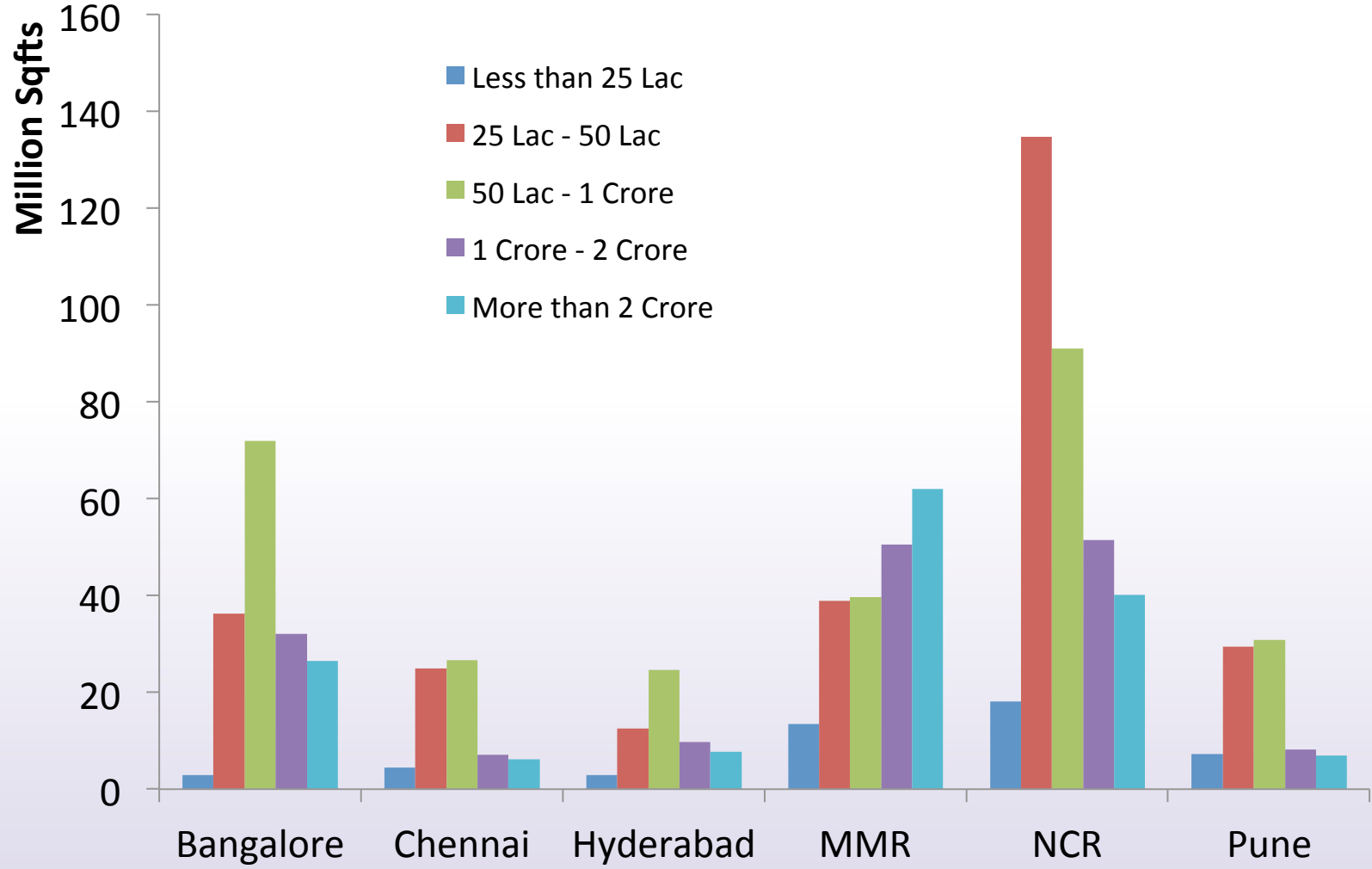
Q4 14-15

Sale and Inventory in Cost Brackets

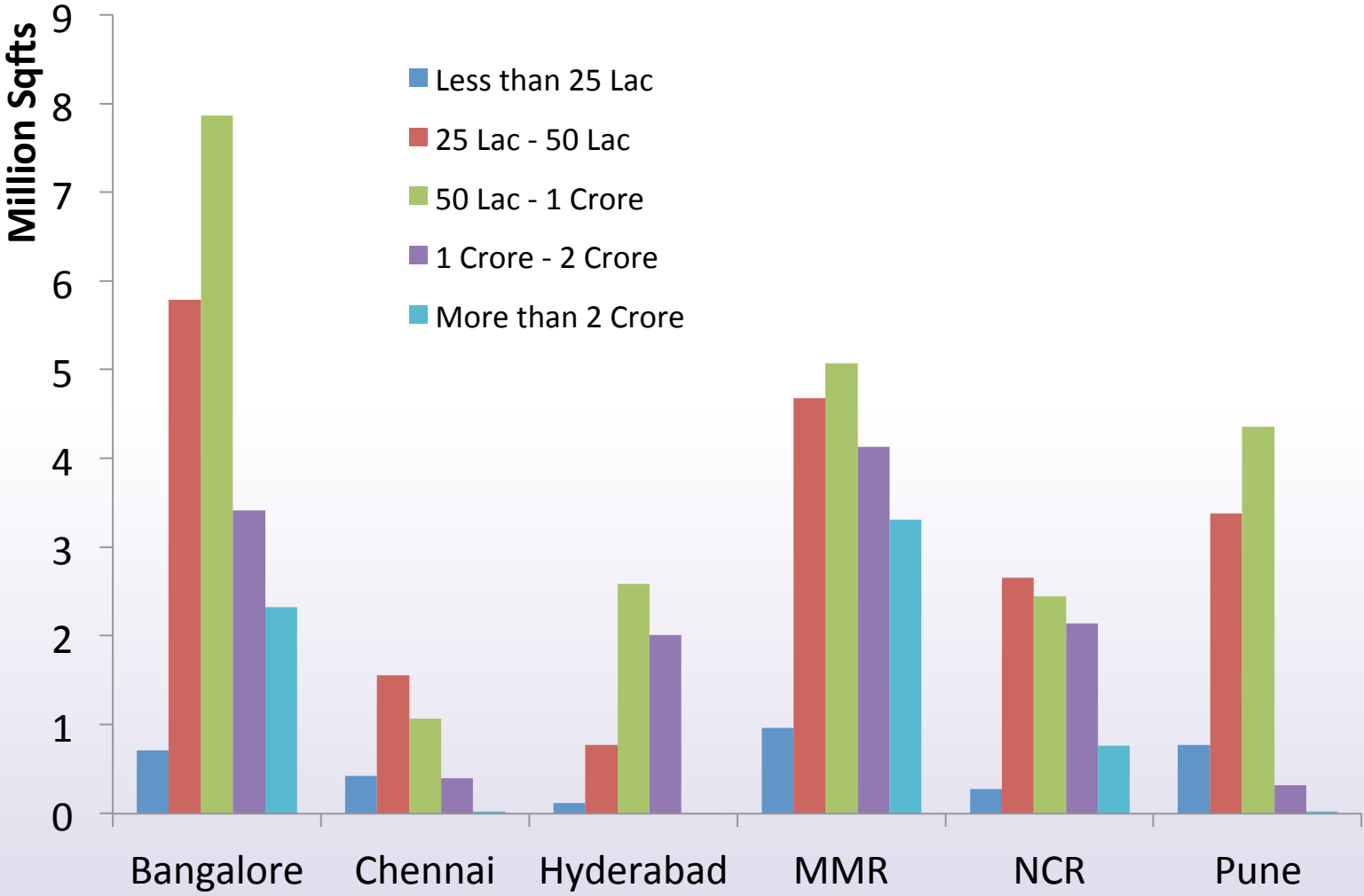
City	Cost Range	Inventory (Mn Sqft)	Sales (Mn Sqft)
Bangalore	Less than 25 Lac	2.84	0.31
	25 Lac - 50 Lac	36.19	3.93
	50 Lac - 1 Crore	71.87	7.06
	1 Crore - 2 Crore	32.04	3.17
	More than 2 Crore	26.49	2.52
Chennai	Less than 25 Lac	4.44	0.26
	25 Lac - 50 Lac	24.94	1.72
	50 Lac - 1 Crore	26.57	2.04
	1 Crore - 2 Crore	7.11	0.70
	More than 2 Crore	6.24	0.56
Hyderabad	Less than 25 Lac	2.94	0.11
	25 Lac - 50 Lac	12.58	1.31
	50 Lac - 1 Crore	24.56	2.50
	1 Crore - 2 Crore	9.80	1.10
	More than 2 Crore	7.67	0.49
MMR	Less than 25 Lac	13.52	0.90
	25 Lac - 50 Lac	38.95	3.33
	50 Lac - 1 Crore	39.70	2.64
	1 Crore - 2 Crore	50.50	2.77
	More than 2 Crore	62.06	2.83
NCR	Less than 25 Lac	18.07	0.28
	25 Lac - 50 Lac	134.74	4.78
	50 Lac - 1 Crore	91.01	4.28
	1 Crore - 2 Crore	51.37	2.28
	More than 2 Crore	40.06	1.96
Pune	Less than 25 Lac	7.31	1.01
	25 Lac - 50 Lac	29.48	4.70
	50 Lac - 1 Crore	30.75	4.73
	1 Crore - 2 Crore	8.13	1.01
	More than 2 Crore	6.95	0.53
Grand Total		918.87	65.78



Inventory distribution by Cost Range Q4 14-15



New Supply distribution by Cost Range Q4 14-15



Inventory - Supply of stock between two dates of survey. It covers all new launches (new additions) as well as carried-forward inventory from the previous quarter/quarters. It can be simply represented as Previous Unsold + New Additions.

Unsold – It is the closing stock at the end of the Qtr

Sales / Demand - Realty stock sold in a market between the dates of two surveys.

Price - Weighted Average Prices of the Unsold Inventory.

Business Turnover / Value of Goods Sold - Represents the value of the trade or the business done in a certain period. It is calculated by multiplying the total sqft sold during the period with the prevailing prices.

Months Inventory - Represents the number of months required for the stock in the market to be absorbed according to the existing demand. It is calculated by dividing the closing stock (marketable stock) by monthly sales.

Sales Velocity – Represents the ratio of monthly sales to the total supply . An optimum sales velocity is considered to be 2.75% translating to a gestation period of 36 months.

THANK YOU

